



CT-PHCC

PLUMBING-HEATING-COOLING CONTRACTORS OF CONNECTICUT

**TESTIMONY
ROBERT MACCA
LEGISLATIVE CHAIR
CT PLUMBING, HEATING & COOLING CONTRACTORS ASSOCIATION
BEFORE THE
FINANCE COMMITTEE
FEBRUARY 9, 2009**

The Connecticut Plumbing, Heating and Cooling Contractors Association (CT-PHCC) **opposes HB-6349, which would extend the sales tax to occupational services and HB-6350, which would eliminate exemptions to the sales tax.**

The vast majority of our members provide plumbing services in the residential market, which has slowed down considerably due to the economy. Permits for new home construction plunged 25 percent in Connecticut in 2008, marking the fourth straight year of declines. Customers are also very nervous about undertaking any renovations or remodeling projects.

As predominately small businesses, we are working hard to make ends meet and cutting costs where possible in order to keep our employees on the payroll and our doors open. We simply cannot absorb any additional costs if we are to successfully weather this fiscal crisis. Unfortunately, eliminating sales tax exemptions and extending sales taxes to professional and business services, means we will be paying 5-6% more for the purchase of countless goods and services.

While we understand that the state is facing dire financial straits, adding to the cost of doing business is the wrong direction to go. Businesses must be positioned to help drive the state's economic recovery. Increasing taxes will only drive business into the ground. We urge you to cut state spending to address the budget deficit rather than undermine our long-term economic recovery by making it impossible for businesses to continue to operate and provide jobs.

CT-PHCC is a not-for-profit trade association that represents the professional plumbing, heating and cooling contractors in the state of Connecticut. CT-PHCC and its members are committed to protecting the health and safety of the public. Contractors who belong to the association have demonstrated reliability and trustworthiness and are licensed by the state of Connecticut.